

ITEL

July 8, 1988

Hon. Noretta R. McGee
Secretary
Interstate Commerce Commission
Washington, DC 20423

Itel Rail Corporation

55 Francisco Street
San Francisco, California 94133
(415) 984-4000

1 5725
RECORDATION NO. 5725 FILED 148

JUL 14 1988-3 PM

INTERSTATE COMMERCE COMMISSION

Re: Schedule No. 3 to Master Lease No. 2210-00 dated June 17, 1988, between Itel Railcar Corporation and Wisconsin Central Ltd.

Dear Ms. McGee:

On behalf of Itel Rail Corporation, the above instrument, in four (4) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record Schedule No. 3 under Master Lease No. 2210-00 dated June 17, 1988, between Itel Railcar Corporation and Wisconsin Central Ltd., which is being filed with the ICC simultaneously this date.

The parties to the aforementioned instrument are listed below:

Itel Railcar Corporation (Lessor)
55 Francisco Street
San Francisco, California 94133

Wisconsin Central Ltd. (Lessee)
One O'Hare Centre
6250 North River Road
Rosemont, Illinois 60018

This Schedule No. 3 covers ninety-four (94) 2,244 cubic foot, 100-ton gondolas bearing reporting marks WC 6300-6393.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

Patricia Schumacker

Patricia Schumacker
Legal Department

1 5725/C
REGISTRATION NO. _____ FILE NO. _____

LOT NO. 2210-03

JUL 14 1988-3 30 PM

INTERSTATE COMMERCE COMMISSION SCHEDULE 3

THIS SCHEDULE 3 ("Schedule") to that certain Lease Agreement, (the "Agreement") made as of June 17, 1988 between ITEL RAILCAR CORPORATION, as lessor ("Lessor"), and WISCONSIN CENTRAL LTD., as lessee ("Lessee") is made this 17th day of June, 1988, between Lessor and Lessee.

Lessor and Lessee agree as follows:

1. Except as otherwise provided herein, all terms defined in the Agreement shall have the meanings set forth therein when used in this Schedule.
2. Lessor hereby leases the following Cars to Lessee subject to the terms and conditions of the Agreement and this Schedule:

AAR Mech. Design.	Description	Reporting Marks and Numbers	Length	Dimensions Inside Width	Height	Door Width	Number of Cars
GB	2,244 cubic feet 100-ton, steel floor, solid ends, Gondola	WC 6300-6393 (to be remarked from FRDN 41050-41209 N.S.) 100100-100296	52'6"	9'6"	4'6"	---	94

3. The term of the Agreement with respect to each Car described in this Schedule shall commence on the date of Delivery of such Car pursuant to Subsection 3.A. and shall continue as to all of the Cars described in this Schedule for five (5) years after either: (i) the Delivery of the last Car; or (ii) the date on which the parties mutually agree to amend this Schedule as to the number of Cars subject to the Agreement (the "Term"). Upon the delivery of the last Car described in this Schedule, Lessor shall provide written notice to Lessee as to the expiration date of the Agreement with respect to the Cars subject to this Schedule. Unless, within fifteen (15) days of the date of such notice, Lessee demonstrates to the reasonable satisfaction of Lessor that such expiration date is incorrect, Lessee shall be deemed to have concurred to such expiration date.
4. Each Car shall be deemed subject to the terms and provisions of the Agreement at 12 noon on the date of Delivery. All costs and expenses associated with the delivery of the Cars to Lessee are for the account of Lessor. In the event that any car delivered to Lessee pursuant to Subsection 3.A. is not in compliance with Subsection 3.A., Lessee agrees to provide free transportation to any interchange point on Lessee's lines for such car. Any and all costs for transportation, switching, storage, repairs or otherwise are for the account by Lessor.

5. Lessee shall perform the registration of Cars and record keeping described in Section 4 of the Agreement. Lessee shall register each Car in UMLER showing USLX in the owner's field, and in such a manner that Lessor, or its agent, is allowed access to any required information including but not limited to the Train II (71 and 80) Location Advices with regard to each Car. If the information provided to Lessee by Lessor for registration of the Cars in UMLER is inaccurate, Lessor shall be responsible for the payment to Lessee of an amount equal to the revenues that would have been earned by such Car had it been properly registered in UMLER.
6. Lessor shall perform or cause to be performed and pay for all costs and expenses associated with the maintenance of the Cars described in this Schedule, except as set forth in Section 5 of the Agreement (as modified by Exhibit B attached hereto); provided, however, Subsection 5.A. of the Agreement shall not apply with respect to such Cars.
7. Any and all taxes relating to the Cars or their use, except for any taxes on, or measured by, Lessee's income and any taxes on, or measured by, car hire receipts shall be paid by Lessor. Any and all taxes on, or measured by, Lessee's income or car hire receipts shall be paid by Lessee.
8. A. Within ninety (90) days after the calendar month in which Delivery occurred, Lessee shall pay to Lessor all car hire amounts earned by each Car prior to its Delivery. Commencing upon Delivery, the fixed rent ("Fixed Rent") shall be

per month for each full calendar month ("Month") during the Term. The Fixed Rent for any Car which is not subject to the Agreement for an entire Month shall be prorated at

per day for such Car during such Month.

Except for abatement as set forth in Subsection 8.C. hereinbelow, which Lessor will deduct from Lessee's monthly invoice, the Fixed Rent shall be due and payable regardless of any claimed abatement, reduction or offset.
- B. The Fixed Rent is comprised of a Constant Factor of

plus an initial Service Factor of

Lessor may elect to adjust such

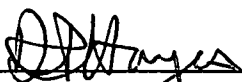
Service Factor as follows: The AAR Labor Rate in effect on the date of this Schedule is termed the "Original Labor Rate." On each subsequent January 1, the prevailing Labor Rate then in effect will be referred to as the "Current Labor Rate." If the Current Labor Rate established and in effect upon the expiration of January 1 of any subsequent year from and after the date of this Schedule shall increase over the Original Labor Rate, the Service Factor shall be adjusted to be the product obtained by multiplying the Service Factor by a fraction, the numerator of which is the Current Labor Rate and the denominator of which is the Original Labor Rate; and the per Car rental shall be revised to be the Constant Factor plus the adjusted Service Factor. Any such adjustment shall be

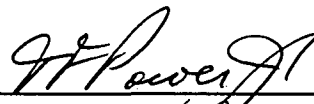
instituted by notice from Lessor to Lessee and shall take effect with respect to rents coming due next after the date of notice.

- C. For any Car undergoing repairs, other than running repairs set forth on Exhibit B, for which Lessor is responsible, the Fixed Rent shall abate on the date Lessor receives written notification that the repairs are required and shall not recommence until the day such Car is delivered to Lessee or otherwise released from a repair facility into service. In case of such abatement, the Initial Term and any Extended Term(s) may, at Lessor's option, be extended for a period of time to be determined by dividing the aggregate number of days the Fixed Rent for the Cars subject this Schedule was abated by the number of Cars subject to this Schedule on the date Lessor performs such calculation.
- D. On the first day of each Month during the Term, Lessee shall pay the Fixed Rent to Lessor for such Month.
- 9. Except as expressly modified by this Schedule, all terms and provisions of the Agreement shall remain in full force and effect with respect to all Cars subject to the Agreement.
- 10. This Schedule may be executed by the parties hereto in any number of counterparts, and all said counterparts taken together shall be deemed to constitute one and the same instrument.

ITEL RAILCAR CORPORATION

WISCONSIN CENTRAL LTD.

By: 
 Title: President
 Date: June 17, 1988

By: 
 Title: Exec V.P.
 Date: 6/9/88

COMMISSION COPY

EXHIBIT B

Gondolas

<u>Running Repairs</u>	<u>Running Repairs Continued</u>
Angle Cocks	Wheels
Air Hose	Yokes
Train Line	Knuckles/Pins
Operating Levers and Brackets	Slack Adjuster
Sill Steps	Couplers
Grab Irons	Draft Gears
Brake Shoes	Coupler Carriers
Brake Shoe Keys	Center Plates (Not Replacement)
Brake Connecting Pin	Cotter Keys
Brake Head Wear Plates	Roller Bearing Adapters
Air Brakes	
Hand Brakes	
Brake Beams and Levers	
Truck Springs	

COMMISSION COPY

STATE OF CALIFORNIA)
) ss:
COUNTY OF SAN FRANCISCO)

On this 17th day of June, 1988, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Railcar Corporation, that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sharon L. Van Fossan
Notary Public



STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

On this 9th day of June, 1988, before me personally appeared T. F. Power, Jr., to me personally known, who being by me duly sworn says that such person is Exec. V.P. of Wisconsin Central Ltd., that the foregoing Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Catherine D. Aldana
Notary Public

